

**TDEFIC RFP MDA906-02-R-0007**  
**QUESTIONS AND ANSWERS**

- #91. Q: The TRICARE Operations Manual, Chapter 6, Section 1.8.4 has information about the waiver of enrollment fees for beneficiaries with Medicare Part B. Can a dual eligible beneficiary under the age of 65 enroll into TRICARE Prime?

If yes, has consideration been given to allow enrollment to a non-network Primary Care Manager (PCM)? Since TRICARE is secondary payor to Medicare, there is no incentive for an enrollee to have a PCM that is network. Also, a provider who is considered a PCM will not render services that Medicare does not cover in which TRICARE will be primary. There does not seem to be any advantage for an enrollee to have a network PCM.

A: Medicare eligible beneficiaries may enroll in TRICARE Prime. These individuals must follow the same rules applying to all other TRICARE Prime enrollees and are not allowed to enroll to a non-network PCM. Services covered under TRICARE but not Medicare are rendered by the PCM with appropriate TRICARE rules applying to the beneficiary.

- #92. Q: Re RFP section that states "Offerors shall provide detailed cost build-ups to support the proposed claims rate/proposed prices. This will include staffing levels with a description of the tasks associated with each labor category, appropriate rates and factors, subcontracting costs, other direct costs and profit."

Q(1): In accordance with I.91, FAR 52.244-6, Subcontracts for Commercial Items, if the offeror proposes to perform some these services utilizing a commercial division, subsidiary, or affiliate this cost detail would not be available nor consistent with commercial practices. Is it reasonable to assume an offeror can propose a commercial subcontractor for these services and would not be required to provide this level of detail?

A(1): FAR 52.244-6, Subcontracts for Commercial Items, is a mandatory clause and is included in the solicitation in accordance with the regulation. The Government, however, does not anticipate that any portion of the requirement could be accomplished using a commercial item. All offerors are required to provide the information other than cost or pricing data (staffing levels and supporting information) requested in Section L of the RFP. This information will be used in performing a cost realism analysis to assess proposal risk and should be submitted regardless of whether the proposed effort would be performed by a prime or subcontractor.

Q(2): The requirement to provide detailed cost buildup appears to contradict FAR section 15.403-3 (b), where if adequate price competition exists, no additional information is necessary. Request the Government reconsider its requirement for detailed cost build-up given the regulatory requirement.

A(2): The Government is not requiring the supporting cost data to determine price reasonableness. The Government intends to determine price reasonableness based upon price analysis with no additional information necessary from offerors in accordance with FAR 15.403-3(b). However, the solicitation requirement for information other than cost

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and pricing data to conduct a cost realism analysis is also supported by the FAR. Per FAR 15.404-1(d), cost realism analysis may be used to assess proposal risk in fixed-price competitive procurements when new requirements may not be fully understood by competing offerors, there are quality concerns, or past experience indicates that contractors' proposed costs have resulted in quality or service shortfalls.

- #93. Q: Will the Government consider modifying the transition period from nine months to fifteen months? Doing so may invite increased competition from newcomers who bring additional innovation, efficiency, and cost-savings to TRICARE.

A: Based on TMA past experience, we believe the 9-month transition period is sufficient. The transition period is driven by the expiration dates of the current MCS contracts, starting with the Region 11 MCS contract that expires 31 March 2004.

- #94. Q: Under RFP Section L, do items L-14.5.1.5, L-14.5.1.5.1 and L-14.5.1.5.2 apply only to the data repository (data warehouse), or to the main claims processing system?

A: The sections cited apply to the data repository as specified in section C.3.5.3 of the RFP.

- #95. Q: In reviewing the RFP, the Government has indicated this is a fixed price contract. There are numerous references to commercial and market based pricing. The RFP also has numerous references to FARs requiring cost and pricing data from both the prime and the subs. Please clarify the Government's intent on (1) type of contract, (2) using commercial and market based pricing, and (3) if the Government plans on making a similar amendment to the TDEFIC RFP (MDA906-02-R-0007) that was made to the Managed Care (MCS) RFP (MDA906-02-R-0006) in Amendment 3 which allowed for the submission of commercial pricing in FAR 52.215-20 which allows exceptions for commercial pricing.

A(1): As stated in L.10, FAR provision 52.216-1, Type of Contract, award of a requirements type with firm fixed price elements contract is contemplated as a result of this solicitation.

A(2): This procurement is being conducted in accordance with FAR Part 15 - Contracting by Negotiation. The contracting officer has determined that this requirement does not meet the definition of a commercial item, subject to the policies and procedures prescribed in FAR Part 12 – Acquisition of Commercial Items. The Government intends to evaluate the reasonableness of proposed prices based upon price analysis with no additional information necessary from offerors. Section L of the RFP requires supporting cost information for use in conducting a cost realism analysis for the purpose of assessing proposal risk.

A(3): The Government does not intend to amend this solicitation.

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#96. Q: On what CD should the Performance Guarantee information be provided?

A: L-14.3 requires the Performance Guarantee Amounts to be submitted separately. To clarify this, please submit this information as a separate file on your Price Proposal CD. This information shall be in the format of H-2.3.

#97. Q: Regarding responses for Performance Guarantee, must responses be limited to only section H-2, or may offerors respond in narrative format to all portions of section H?

A: Please see the response to question #96 for the format in which to submit Performance Guarantee amounts. If you wish to provide additional commentary or to take exceptions to Section H or any other terms and conditions of the RFP, please do so in a separate file, and include it on your Price Proposal CD.

#98. Q: Can speaker notes be included in the oral presentation? Can documents to which speakers refer in the oral presentation be provided?

A: Speaker notes may be included within the powerpoint format. Additional documents, outside those specified and required in the RFP, should not be used and will not be considered. If integral to the presentation, the information should be incorporated into the slides.

#99. Q: Would the government desire or benefit from the offeror returning the sectional requirements (C–L) in a matrix format so the government can see an itemized depiction of our compliance?

A: The government does not require a summary matrix. The offeror may provide a summary matrix incorporated in the oral presentation slides as long as they stay within the presentation time limit outlined in the RFP.

#100. Q: Regarding Section L-14.4.11, when the offeror prepares answers to TMA questions after the oral presentation, should the offeror provide those answers on a diskette as part of the presentation to the evaluation team?

A: The clarification question responses from the offeror may be oral, the offeror is not required to provide the answers on disk.

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#101. Q: F-4.1 Transition-In: Item (3) references the TRICARE Operations Manual, Chapter 1, Section 1.3. This section does not exist in the current or previous version of the specified manual. Please advise.

A: The correct reference is Chapter 1, Section 8 (Transitions), 1.3 (Interface Meetings). A change will be made to the RFP indicating the correct reference.

#102. Q: How many dual eligible beneficiaries have additional OHI coverage (excluding Medicare)?

A: We do not have reliable data on dual eligibles with OHI. However, the number is considered minimal due to the coverage and lack of cost of the TFL benefit.

#103. Q: Do the pharmacy claims that the TDEFIC contractor is responsible for paying (e.g., home health infusion, drugs dispensed at the doctor's office) need to be reimbursed using typical RX reimbursement methodologies (i.e., Blue Book, AWP MAC)? If not, how will the pricing be determined?

A: The pharmacy claims paid by the TDEFIC contractor will be reimbursed IAW the TRICARE Reimbursement Manual Chapter 1, Section 15. This specifies the contractor should use the Drug Topics Blue Book for pricing.

#104. Q: Why would the HCSR data be needed for resolving duplicate claims if the original claims were on file? Is it because the duplicate-claim processing is based on the HCSR data and the previous contractor might have created the HCSR incorrectly (it doesn't match the claim data that was provided to the TDEFIC contractor as part of the history file)?

A: You are correct, the HCSR data is needed in case it was created incorrectly.

#105. Q: Will the TDEFIC contractor be responsible for developing prevailing rates, or will this be handled as part of the MOU between the TDEFIC and MCSC?

A: Response not yet prepared

#106. Q: Please clarify if dual eligibles under 65 can enroll in a Prime contract?

A: Under 65 dual eligibles are eligible to enroll in TRICARE Prime.

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#107. Q: The MHS Information Assurance Manual is referenced in the ADP Manual Section 1, Chapter 1. Where can the MHS Information Assurance Manual be found?

A: The ADP manual does not apply to the TDEFIC contract. The correct manual is the TRICARE Systems Manual (TSM) linked to the TDEFIC RFP at the solicitation web site. The TSM does not currently reference the MHS Information Assurance Manual. However, a change to the TSM is anticipated to add the reference and include the manual as an addendum to chapter 1; such an addendum would be incorporated into the RFP through an amendment. Currently, the draft manual is available electronically by request to the Contracting Officer.